

orig.

DEMAND NOTE

\$40,000.00

CITY OF LYNCHBURG, VIRGINIA

August 23, 2006

FOR VALUE RECEIVED, the undersigned promises to pay to the order of the NOTEHOLDER, its successors and/or assigns, the principal sum of Forty Thousand Dollars (\$40,000.00) together with interest thereon at the rate of eight percent (8%) per annum. Installments of interest only shall be due and payable on the first day of each month beginning September 1, 2006. Payments shall be payable at such address as the Noteholder may designate in writing. Any payment not received on or before the tenth day after the due date shall be subject to a five (5%) percent penalty. This is a demand note. The entire unpaid principal, accrued interest, late charges or any other amounts coming due under this note shall be payable on demand by the Noteholder.

The right is reserved to prepay this note in whole or part at any time without penalty.

In the event of default hereunder or the breach of any of the covenants in the Deed of Trust or this note, then the unpaid principal balance and any unpaid accrued interest thereon may, at the option of the holder of this note, and without notice, be declared and become at once due and payable in full. Any failure by the Noteholder to exercise such option shall not be deemed a waiver of the right to exercise the same in the event of any subsequent default or breach.

Presentation, demand, protest, notices of dishonor and protest, the benefit of homestead exemption, and all defenses and pleas on the ground of any extension or extensions of time or payment or of the due dates of this note, in whole or in part, before or after maturity, with or without notice, are hereby waived by the makers and by any and all endorsers, sureties, guarantors and obligors hereof, it being further agreed by them that they will pay any collection expense, court costs and any reasonable attorney's fees which may be incurred in the collection or enforcement of this note or any part hereto.

FOSTER V. WYNNE
CASE NO. 12-60619

DEBTOR'S
EXHIBIT
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This obligation is secured by a deed of trust of even date herewith on the following real estate: LOT 13, BLOCK A, EVERGREEN SUBDIVISION, CITY OF LYNCHBURG, VIRGINIA.

NOTICE - THIS DEBT, SECURED BY A DEED OF TRUST, IS SUBJECT TO CALL IN FULL OR THE TERMS THEREOF BEING MODIFIED IN THE EVENT OF THE SALE OR CONVEYANCE OF THE PROPERTY CONVEYED IN THE DEED OF TRUST.

WITNESS the following signature and seal this 23rd day of August, 2006

 (SEAL)
KAREN FOSTER

ORIGINAL